

## How can Nepal be marketed as a tourist destination during times of political unrest?

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**Abstract:** Marketing tourist destinations is complex. The tourist market needs to be fully understood to market places effectively. It is important to consider the decision-making process involved in selecting holidays. The image of a place is one of the most influential factors determining the choice of holiday. Information is also key to attracting tourists to a destination. Given the political instability in Nepal especially in recent years, this has given the country a negative image. Good information and marketing that is sensitive to the types of consumer to target can help to attract tourists despite the problems in Nepal. The risk adverse consumer is unlikely to be attracted to Nepal, but despite this, there is still a market in those tourists still interested in coming to the country. It is to these people that marketing can be most effectively directed.

In this paper, I will look at how destinations are marketed and try to suggest how Nepal as a tourism destination might be marketed given the current political unrest there.

### Marketing tourist destinations

Marketing tourist destinations is complex, especially when faced with political problems that discourage visitors. For the past decade or so, political unrest has been increasing in Nepal.<sup>1</sup> In February 2005, King Gyanendra declared a state of emergency in the country, with tourist arrivals slumping. A four-month long ceasefire following a summer of relative calm boosted tourist arrivals, but the political tension from January 2006, culminating in election tensions and the US, UK and French foreign offices issuing travel warnings to avoid travel to Nepal meant that during February 2006, tourist numbers again dwindled to a tiny trickle.

Marketers have development models to explain this process of decision-making. The simplest and most commonly used is “AIDA”: Awareness, Interest, Desire and Action. Marketing the destination will move the consumer from being unaware either of the product or destination, or particular brand or package, to making a purchasing decision.

Before choosing a holiday, the consumer needs to be aware of the destination. This usually entails obtaining information about the place, often from books and printed literature, but increasingly the internet enables comprehensive research about destinations. The consumer has to develop a favourable stance towards particular destinations and become sufficiently committed to one over other choices, before going to the next stage, which usually will involve deciding what sort of holiday they want at that place.

Perception of a place is an important part of the process. This involves selection and interpretation of information that is presented to the consumer. If there is a favourable disposition towards a particular place, then there is a greater likelihood that the consumer will absorb better the information presented to them. Personal recommendations are very important in forming favourable impressions, encouraging the consumer to seek further information. At any point however, it is possible to be put off the destination, for example, if it is thought that the destination is too far, too inaccessible for the duration of the time available, too expensive etc.

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<sup>1</sup> Since a peak in 1998 when there were just under 500,000 arrivals, this has slumped to about 10% of this figure. Given that the number of arrivals does not distinguish between tourists and business arrivals, it is likely that the fall in tourist arrivals is even more significant.

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The consumer will then be inclined to look at alternative options. The decision process is constantly one of comparison.

The consumer develops an image of the destination. This might be inaccurate if the information sources are uninformative or distorted. The image of a destination is thought to be decisive in influencing the choice of a holiday (Seaton 1996). The consumer may become confused with the image itself. Images are built around the unique attributes which the destination can claim and the more these help to distinguish the place from other similar destinations, the greater the attraction will be. Some destinations that offer a truly unique product such as the Grand Canyon in Colorado, the Great Wall of China in Beijing or the pyramids at Giza might even need an element of de-marketing to avoid overuse. Promotion of destinations by tourism offices usually have the long term aim of generating a positive image of the destination to give that destination an edge over competitors.

Sometimes the image of the destination is stereotyped. The consumer has selective ideas of the differences and contrasts in everyday life that are supposed to exist abroad compared with home. The pursuit of these differences is why destination markets often promote stereotypical yet exotic features that are most likely to seem attractive, even if in reality with modernization and cultures becoming increasingly similar, differences between destinations are becoming less pronounced. The question is whether reality is represented fairly, in a way that the tourist will see it. Destination images are most affected by word of mouth than other influences.

The consumer will usually hold a mixture of emotions about a destination and a rational evaluation of its merits to determine whether it is a possible location for a holiday. Some people might still have a negative image about a destination but still have a positive attitude to travelling there, as they have an interest to see the destination. In Nepal's case, the negative image generated by media report on political unrest has to be weighed against the natural beauty and grandeur of the Himalayas that the tourist might have an interest to see.

The perceived risk involved in visiting a destination is an important factor for many consumers. This might be concern about health, the weather, problems getting to the place, or of the risk of natural disasters (landslides, avalanches, floods etc), strikes, civil disturbances and terrorism. Some consumers are willing to take risks, even relishing it. In these cases the risk will not in itself form a barrier. However many consumers will be to varying degrees much more risk adverse. These "risk averters" will be weigh up the risks, perhaps worrying less about the risk of bad weather than, for example, the level of crime in a place. Risk averters tend to book early and often return to places where they have been before, knowing its reliability. Often these consumers book a package rather than travel independently and rely much more on the tour operator.

Some consumers do a lot of research about the destinations that they are considering travelling to. Others do not have so much patience, restricting their choice to save time. With many consumers, their choice will change little over time, which is especially the case with consumers loyal to brands or specific places where they have been before. Some people buy on impulse, particularly when the price is low, others will be influenced by their peers, fashion and status.

Research by Stanley Plog rates personality as important in determining types of consumer. Plog's theory classified the US population by the extent that they are "allocentrics", seeking variety, being self-confident, outgoing and experimental; or "psychocentrics" who are much

more concerned with themselves and the smaller problems of life, often anxious and inclined to seek security. This group tends to be lower income earning and risk adverse, more likely to return to resorts where they have been before, use packages and stay closer to home. Allocentrics tend to seek new experiences, exotic destinations and travel independently. In practice, most consumers fall between the two extremes (“mid-centrics”). Plog recognized that personality could change over time and that the psychocentric could develop into an allocentric as they increase their experience of travel. (Godfrey and Clarke 2000).

Marketing tourism products and destinations needs to be with a firm understanding how the travel market is partitioned into market segments that need to be targeted separately. For example, market research on ecotourism suggests that improvements are needed in the operations of tourism offices in marketing this form of tourism. In particular, developing countries need to capitalize on the increasing ecotourism orientated market. The two cornerstones to the effective marketing of ecotourism rest on the attraction of a destination for tourists in terms of biodiversity, unique geography and cultural history; and a tourism infrastructure that can meet the needs of tourists. In the case of ecotourism, there is a need to attract the “right” clientele. These may be “born” eco-tourists with a built-in predisposition for ecotourism or “made” eco-tourists, who are receptive even if unfamiliar with ecotourism (Fennell 2003).

### **The “new” tourist**

It is important to consider future trends. The population in richer countries is getting older. Increasingly they are fitter, with a greater appetite for adventure than before and are looking for active holidays. They often have more disposable income and are retiring earlier, with more free time. There are many other behavioural changes. An increased emphasis on fitness means that there is a greater demand for activity holidays. There is an increase in awareness of environmental issues and interest in culture.

There has been the development of the “new” tourist. These consumers have a greater experience of travelling and have learned how to make the most of new technology for information and reservations. The “new” tourist is much more critical and discerning, with a greater idea of what they want. They seek quality, good service, value for money and are generally empowered by their experiences elsewhere. They are often more motivated by wanderlust and curiosity, travelling for cultural reasons rather than sun-seeking. Tourism destinations and products for this market tend to build on an element of interpretation and education, where the consumer is seeking the “real” place. The Thompson Holidaymaker and Mintel Survey both found that mainstream tourists want more creative and participatory holidays. Consumers are motivated to seek authentic and natural experiences. They tend to hold values that encourage ethical consumption of tourism and choose destinations and companies on this basis. Their values are orientated towards the environment and reflect changing lifestyles (Boniface and Cooper 2005).

These tourists are the driving force behind a new tourism revolution. The implications of the “new” tourist mean that there is a change from the rigid packages tours and mass tourism of the 1960s and 70s towards a more flexible form of tourism. This means that the marketing strategies to attract these kinds of consumers needs to focus on providing tailor-made and customized holidays which demonstrate understanding of the motives and needs of the “new” tourist.

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Customer loyalty is an important factor in the relationship marketing that can be effective in attracting these kind of consumers.

### **Marketing tourism in Nepal**

Nepal has a lot to offer tourists in terms of natural beauty and cultural heritage. The types of tourists that are most likely to be attracted to Nepal as a destination are those seeking activity and adventure holidays, cultural and religious attractions and natural beauty and environment. In particular, the “new” tourist is more likely to be interested to visit, whether booking through a tour operator in the home country or coming as an independent traveller.

The vulnerability of tourism was highlighted by 9/11, the war in Afghanistan, the Bali bombing and Iraq War. The Bali atrocity proved disastrous for the Indonesian economy. Man-made disasters like riots, prolonged strikes and transport disasters can have serious impacts on tourism. (Boniface and Cooper 2005)

Marketing Nepal is made all the more difficult with the adverse press coverage of the political problems in Nepal. With the domestic press often muzzled to the point that little is reported at times of serious upheaval, even inside Nepal it can be difficult to obtain accurate information on which to base a decision on where it is safe to travel. In February 2005, following the king’s declaration of a state of emergency, communication with the outside world was cut off for a few days and then very little information was available outside the country. Many tourists abandoned any plans they had to go to Nepal, canceling and choosing alternative destinations. International press tends to rely on the domestic coverage of news, or on their journalists visiting, who typically sensationalize the worst. The image of Nepal is generally portrayed as a county “at war” (Independent 22 January 2006).

Given the political instability in Nepal, tourists will be taking into account the risks of going to a destination where they may perceive their personal safety might be a risk, where strikes and security checks will cause delays and inconvenience and where they might meet Maoists demanding “donations” while trekking. The week-long “bandhas” cause great inconvenience. Strikes, often lasting for days at the time, cripple transport and heighten tension between the authorities and people. Demonstrations invariably end in violence. Most tourists will not have the time or patience to wait. Particularly for those with a limited amount of time and flights booked for fixed dates, the risk of delay can be too great.

In particular, the risk of the political situation deteriorating will deter those who book well in advance from their home countries, as they will be afraid of committing themselves to an expensive holiday that they may need to cancel. The risk-adverse may fear meeting “terrorists” or being caught in cross-fire. Whilst no tourists have been harmed so far, innocent civilians on many occasions have been caught in the cross-fire between the police, soldiers and Maoists. Perhaps most important for tourists, is the concern that their travel insurance policy would not cover them for injuries or losses sustained as a result of civil disturbance. Many insurance policies are invalidated if the foreign office of the policy holder’s country issues a warning to avoid travel to that country or region.

International tour operators will be most vulnerable to insecurity about the risks involved in visiting Nepal, as in addition to the concerns that their consumers will have, they will also be usually unwilling to take responsibility for problems that may occur. As soon as their foreign office issues a warning against travel to a country, they withdraw their clients as soon as they

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can. Foreign embassies will have their own agendas and it is important that they understand and are kept fully informed about the situation in the country. A distorted view of the risks, perhaps generated by the media, can lead to embassies taking alarm and issuing warnings against travel to the country, with a crippling effect on the travel industry.

However, there will be some tourists, who despite the poor image of Nepal in terms of media coverage and political unrest, still will be interested to come. Marketing needs to focus on this group, emphasizing how the risk factors can be minimized. Advice about where to avoid should be readily available. Local insurance that will provide cover in case of accident and emergency could be used and assurance provided about what to do on meeting Maoists whilst on trek etc. By improving the understanding of the situation and keeping people informed, many of the doubts that are raised from lack of information can be reduced.

Information is of key importance in helping the consumer decide whether the risks outweigh the perceived advantages of the destination. Not only is it important to understand what is happening in the country as a whole, but in the case of Nepal, it is important to know what is happening in particular areas within the country. Typically foreign tourists are interested in coming to Nepal either to go trekking or to visit the cultural and historical sites in the Kathmandu Valley. For the latter, understanding that Kathmandu and the Kathmandu Valley are relatively problem free and peaceful will be helpful in encouraging tourists to come there. On the other hand, depending on the area, there may be different degrees of risk. Information about the likelihood of encountering Maoists is usually very high on the agenda for tourists. However, assurances that if required to pay Maoists, that they will not have to pay again; that encounters with the Maoists are not a problem (as long as they are co-operative) and that they might not even meet any, all help to reduce fear of the risks that they might have to face. Whilst Maoists tend to target major trekking routes, there are many higher areas where they do not go. Accessible by air, for the risk adverse who do not want to encounter Maoists, this is another option. For example, in the upper area of Solukhumba north of Lukla it is relatively trouble-free, but there are many Maoists in the lower part of the region. This may affect the decision as to where to start trekking in this area, a choice between flying to Lukla or trekking in an area where there is a chance of being asked for a “donation” by Maoists. Although the amount of money demanded is not much by foreigners’ standards – usually calculated as 100Rs per day of the trek, for some, the fear of meeting Maoists is considerable. The image of gun-slinging terrorists and stories of the atrocities and human rights violations as reported in the newspapers will make many if not afraid, apprehensive of such encounters. For the Nepali guides accompanying trekkers, they will often be more afraid of being put under pressure to join the Maoists and anxious about how they can protect their clients. When tourists are provided with information about what to expect: that there have never been any tourists harmed and that the Maoists that they might meet are generally polite and respectful, then this is usually enough to allay the worst of fears the trekker might have. For a small minority who thrive on risk, the chance of meeting Maoists has been reported as being an attraction.

Marketing Nepal as a destination internationally needs to focus on giving information to help repair the damage to the image of Nepal that the press and recent events will have made. It is important that the message is communicated out of Nepal to the international market place that there are areas of Nepal that are calm, that tourists are safe (even if local people might not be so trouble-free) and that even in times of strikes, that much is done to ensure that tourists will not be

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seriously affected. (For example, in Kathmandu during strikes when transport is often very limited, the tourism board arranges transport to take tourists to and from the airport.)

In the same way that the media can be detrimental to tourism in Nepal, it should be harnessed to give a positive picture of the country. The tourism board and domestic travel companies need to work with the media, to mitigate as far as possible the negative messages about security in the country; in particular, the message that tourists can travel in the country safely. Television as a media for global communication is increasingly important. Thought needs to be given on how to use this to give a more positive image of Nepal, to improve the understanding of consumers of the risks that might be involved in visiting.

Tour operators have an important role to play in communicating with overseas companies. Many Nepali trekking agencies sub-contract their services to foreign tour operators. By providing reliable and up to date information on the situation in Nepal, foreign companies will be in a better position to assess the risks involved in sending their clients to Nepal. It is important that the Nepali agents give accurate information, and build up trust with the overseas agent. For example, although most foreign agents cancelled their treks during February 2006, following the US, UK and French foreign offices' security warnings about non-essential travel to Nepal, at least one agency, drawing clients from the UK was able to attract clients to come despite the situation. In this case, the UK agent sub-contracting to the Nepali agent was able to rely on the information passed to them and advise their clients accordingly.

Effective marketing by the national tourism board to international as well as domestic tour operators is essential. By communicating directly with these companies, not only information about venues and products can be more effectively disseminated, but the industry can be kept better informed about developments within the country that are important to the consumers' decision as to whether to come. The Nepal Tourism Board does not have a database of international big-players, so without this, cannot market so effectively outside of Nepal.

Whilst the numbers of tourists that are likely to visit Nepal during these troubled times will be far less than during times of political stability, effective marketing should be able to attract those who are less risk adverse, who are interested in what Nepal has to offer despite the problems in the country.

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